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# Vendor File Tips

## Training Tool

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## Table of Contents

Adding a Vendor to the Vendor File.....	1
Standard Conventions for Entry of Data into the VEND Table .....	2
I.    Business names: .....	2
II.   Individuals: .....	2
III.  Addresses .....	3
IV.   Entity Types and 1099 Reportable Codes.....	3
V.    Entity Types and Correct TIN to be used for the Vendor Code .....	4
VI.   Postal Abbreviations .....	5
VII.  TIN Types .....	5
Vendor Change Request Procedures.....	6
I.    Overview.....	6
I.    Vendor Change Requests:.....	6
II.   Acceptable Documentation for Name Changes.....	6
III.  Acceptable Documentation for Address Changes .....	6
IV.   Acceptable Documentation for TIN Changes.....	7
Vend Table Screen Print .....	8
VEND Note.....	9
Valid Entries to VEND by Entity Type Chart .....	10

## Adding a Vendor to the Vendor File

The agency that adds a new vendor to the vendor file is responsible for having a completed W-9 on file for that vendor. A W-9 is needed for each vendor to ensure that the vendor record on the vendor file (VEND) is set up correctly and to avoid IRS penalties for reporting incorrect TIN/name combinations.

To assist state agencies in determining the entity type and 1099 reportable status of a vendor, the State has developed a Substitute W-9 that is to be used by all agencies. The Substitute Forms W-9 can be ordered from Juniper Valley Products at 303 370-2163. The commodity number is 615-82-50-7093.

When a Form W-9 is received from a vendor, scan the Vendor Federal Identification Table (VFED) to see if the vendor is already on the vendor file. Also, scan the Vendor Name Table (VNAME). By scanning these two tables the agency will be able to determine if the vendor is already on the VEND Table.

If the vendor is not on the VEND Table, start with a totally blank VEND screen to ensure that information from another vendor record is not recorded on the new vendor record. Refer to the COFRS User Reference Manual, Section 5: Expenditure and Accounts Payable (EAP), 4.VEND.1, for information concerning required and optional fields to accomplish adding a record to the VEND Table.

If the TIN is already on the VEND Table with the same name and address as the W-9 the agency received, the existing vendor record can be used. If the address is different than the address on the VEND Table, determine if the address your agency needs is an alternate address or an address change. If the address is an alternate address, add the record to the VEND Table using the next available alpha code in the eleventh digit of the vendor number.

**There is only one legal name for each TIN.** If the TIN provided on the W-9 is currently on the Vendor File with a totally different name, call or correspond with the vendor to verify that the correct TIN/name combination was given. Scan the VFED Table to see all records for a particular TIN. For example, the TIN may be on VEND with the name of a hospital or clinic. If the W-9 has the name of a Doctor, it must be determined which TIN/name combination is correct. A record added to VEND with a name that is inconsistent with existing VEND records will be put on hold.

If you have reason to believe that the vendor has given an incorrect name or TIN, every effort should be made to obtain a correct W-9 before the vendor is added to VEND.

## Standard Conventions for Entry of Data into the VEND Table

### I. Business names:

1. No punctuation is to be used in the name or address.
2. Entire name is to be entered in the NAME field if possible.
3. If name must be abbreviated, **do not** abbreviate the first word of name.
4. The word “THE” at the beginning of any name is to be omitted, unless the name is only two words in length, such as The Rockies.
5. Words such as “INC”, “CO”, “ASSOC”, & “LTD” should be included if field space is available, otherwise they should be omitted.
6. The word “AND” should be abbreviated to “&” with a space before and after unless there is not enough field space, then omit the “&”. Example: Robins & Whit Consultants.
7. Do not put spaces between initials in business names. Example: RL Smith Company Inc.
8. The DBA field may be used if a business has a trade name, or if payments to this business are sent to an “in care of” name.

### II. Individuals:

Enter last name, space then first name. Example: Jones, John J

If individual is Jr or Sr (or other title) enter last name space the title comma space then first name. Example: Jones Jr, Fred L

Do not insert a space between Mc or Mac and the rest of the surname. Example: MCCAGE, John J

Insert an apostrophe after the “O” for names that begin with O’.

The DBA field may be used if an individual is a sole proprietor and has a trade name, or when payments are sent “*in care of*”. Always use C/O or % to designate *in care of* if the DBA field is being used for that purpose.

### III. Addresses

- 1: Use only the Post Office Box or street address, not both.
- 2: The zip code may be either five or nine digits. The last four digits may not be 0101.
- 3: All words in the address should be spelled out if there is space except for "Post Office Box" and "Boulevard". Post Office Box should be entered as "PO Box". Boulevard should be entered as "Blvd".
- 4: Designators for Suite, Floor and Room should be spelled out if space is available. If there is no space, abbreviate as Suite "STE", Floor "FL" and Room as "RM". Abbreviate Apartment "APT" and Department "DEPT".
- 5: The "#" sign may be used in place of the word number. When using the "#" leave a space between # and the numeric value that follows it. Example # 1525.
- 6: Do not abbreviate the names of cities or towns.
- 7: The two character state abbreviation must be a valid postal abbreviation. A listing of all state abbreviations is included below.
- 8: The COUNTRY field is to be used only for foreign vendors.
- 9: Punctuation in the address is limited to periods, hyphens, and slashes. These punctuation marks may only be used as shown in the following examples.

Example: 104.25 North County Road  
101 1/2 Main Street  
289-01 Main Street

### IV. Entity Types and 1099 Reportable Codes

C	Corporation	1099 = N
C	Corporation providing medical or legal services	1099 = Y
E	Estate	1099 = Y
G	Government	1099 = N
I	Individual (vendor or employee)	1099 = Y
L	Limited Liability Company	1099 = Y
O	Other (specify entity in COMMENTS field)	1099 = Y
O	Other (tax exempt-specify entity in COMMENTS field)	1099 = N
P	Partnership	1099 = Y
S	Sole Proprietorship	1099 = Y
T	Trust	1099 = Y

## V. Entity Types and Correct TIN to be used for the Vendor Code

1. Corporations use corporate EIN and legal name registered with IRS.
2. For PC's and PA's use EIN and enter name as registered with IRS. Example: John Smith PC
3. Estates use the EIN assigned to the estate. Enter as last name estate, first name. Example: Smith Estate, John
4. Governments use EIN and legal name registered with IRS.
5. Individuals (includes state employees) use Social Security Number (SSN) and legal name registered with IRS.
6. Limited Liability Companies use EIN and legal name registered with IRS, unless they are a single member LLC. Then they are entered using the same rules as if they were a sole proprietorship.
7. Other groups of individuals (clubs, joint ventures, tax exempt organizations etc.) use legal name registered with IRS.
8. Partnerships use EIN and legal name registered with IRS. Name may be a trade name or partners names. If trade name enter as registered with IRS. Example: Smith Drywall Finishers.  
  
If there is no trade or business name enter the surname of first listed partner, first name & next partners name. Example: Burgandy, Olive & Carol Black.  
  
If there are more names than there is space for list as many names as there is room for, then add PTR ET AL. Example: Burgandy, Olive , Howard Azure & Carol Black PTR ET AL
9. Sole Proprietors use either owner's SSN or EIN. Name must be individual owner's name. If the sole proprietor has a trade name that they are doing business as, enter that name in the DBA field.
10. Trusts use EIN and legal name registered with IRS. For individuals enter as last name trust, first name. Example: Periwinkle Trust, Jonathan.
11. For corporations use name as registered with IRS. Example: Marigold Association Charitable Trust.
12. US Non-residents (foreign vendors) use the first six alpha characters of the entity name and three numeric digits. Example: RL Smith Inc-enter as RLSMIT01 1.

## VI. Postal Abbreviations

Alabama	AL	Montana	MT
Alaska	AK	Nebraska	NE
Arizona	AZ	Nevada	NV
Arkansas	AR	New Hampshire	NH
California	CA	New Jersey	NJ
Colorado	CO	New Mexico	NM
Connecticut	CT	New York	NY
Delaware	DE	North Carolina	NC
District of Columbia	DC	North Dakota	ND
Florida	FL	Ohio	OH
Georgia	GA	Oklahoma	OK
Hawaii	HI	Oregon	OR
Idaho	ID	Pennsylvania	PA
Illinois	IL	Rhode Island	RI
Indiana	IN	South Carolina	SC
Iowa	IA	South Dakota	SD
Kansas	KS	Tennessee	TN
Kentucky	KY	Texas	TX
Louisiana	LA	Utah	UT
Maine	ME	Vermont	VT
Maryland	MD	Virginia	VA
Massachusetts	MA	Washington	WA
Michigan	MI	West Virginia	WV
Minnesota	MN	Wisconsin	WI
Mississippi	MS	Wyoming	WY
Missouri	MO		
		Puerto Rico	PR

## VII. TIN Types

Although the TIN TYPE field is optional at this time, it should be populated when entering a record on the VEND Table.

Enter “1” if the taxpayer identification number is an EIN.

Enter “2” if it is an SSN.

# Vendor Change Request Procedures

## I. Overview

Call Sandy Rarick at 303 866-3346 when a mistake is made when adding a vendor record. Steps will be taken to correct the error immediately.

**The COFRS system will not allow a vendor code to be changed.** However, a record can be deleted if it has not been used. Once used, an incorrect vendor code must be put on hold, and another record added with the correct information.

If the incorrect vendor record **has been used**, take the following steps to request that the record be changed or put on hold. The COMMENTS Field will contain a reference to the correct vendor code.

## I. Vendor Change Requests:

### **Take the following steps:**

1. Screen print the Vendor record;
2. Draw a line through the incorrect or outdated information;
3. Write the correct information near the field that needs to be changed;
4. Write the agency code, phone number and name of person requesting the change;
5. Attach a copy of the documentation to verify change and forward to the State Controller's Office.

## II. Acceptable Documentation for Name Changes

### **To change a name on the vendor file, there are only three acceptable forms of documentation:**

1. A W-9 Form. The W-9 will verify the name and TIN.
2. A copy of an individual's Social Security Card.
3. Court documentation of name change.

## III. Acceptable Documentation for Address Changes

**To request a change of address to a record on the vendor file, the following are acceptable as documentation.**



1. A vendor invoice that indicates a remit address. (If more than one address already exists on the vendor file, identify which address is to be changed.)
2. Notifications from vendors indicating they have moved.
3. Postal change of address notification.
4. Travel expense forms.
5. Forms W-9.

#### IV. Acceptable Documentation for TIN Changes

**To change a TIN on a vendor record, the only acceptable form of documentation is a W-9.**

## Vend Table Screen Print

```
ACTION: S  SCREEN: VEND USERID: $1099                11/19/96  11:04:12 AM
VENDOR TABLE
KEY IS VENDOR CODE
VENDOR:          MISC:   TYPE:   -----1099 NAME/ADDRESS -----
NAME:
DBA:
ADDR:
CITY:          ST:          CITY:          ST:
ZIP:          COUNTRY:     ZIP:          COUNTRY:
PHONE:        FAX:          BIDS END DATE:
CONTACT:
COMMENT:

ORIG USR:      ORIG AGY:      ORIG DATE:      FY END:      HOLD:
TIN:          MASTER:      ENTITY TYPE:    BWH-1:      EFT:
W-9:          1099:        EMPLOYEE:      BWH-2:      REMIT/PO:
NAME CNTL:    TIN TYPE:     TAX EXEMPT:    2ND B:      TEXT:

    REPT-1:      MINORITY:      %
    REPT-2:      WOMEN-OWNED:  %
    REPT-3:      SMALL:          LAST VEND MOD:
IN-STATE:      COMMODITY:      LAST TX UPDATE:
```

## VEND Note

**TO:** Agency \_\_\_\_\_

**Attn:** Accounts Payable Unit

**From:** Sandy Rarick / State Controller's Office  
1525 Sherman Street, Ste 250 / Denver, CO 80203  
sandy.rarick@state.co.us  
Phone: 303 866-3346 / Fax 303 866-4233

**Date:** \_\_\_\_\_

Please notify the employee with the User ID Code on the attached screen print of the following VEND errors.

☐ **The Attached VEND Record has the Following Error(s):**

- ☐ Name not Formatted Correctly
  - ☐ Enter PCs and PAs First Name First
  - ☐ Should be Last Name Comma Space First Name
  - ☐ Do Not use the Word *THE* Unless there are Only 2 Words in the Name
- ☐ Business Name Used for Sole Proprietor
- ☐ Name on this Record Does Not Match Master Vendor Name
- ☐ Name Inconsistent with Entity Type (*example:* corp or partnership entity with individual's name)
- ☐ First Word of Name Improperly Abbreviated
- ☐ Improper Punctuation in Name or Address Fields
- ☐ Entity Type Incorrect or Blank
- ☐ No W-9 on File
- ☐ 1099 Field Incorrect
- ☐ TIN Inconsistent with Entity Type
- ☐ TIN Type Field Incorrect
- ☐ Record is a Duplicate
- ☐ Other \_\_\_\_\_

**Action(s) Taken at State Controller's Office:**

- ☐ Vendor put on Hold until W-9 or Request for Corrections Received
- ☐ Vendor Deleted
- ☐ Errors Corrected
- ☐ Other \_\_\_\_\_

**Agency Action(s) needed to Correct the Error(s):**

- ☐ No Action Required
- ☐ Send a Copy of W-9 to SCO to have HOLD Removed or Record Corrected
- ☐ Use W-9 to Reenter the Record Correctly
- ☐ Other \_\_\_\_\_

**COMMENTS:**

Thank you. If you have Vendor File or Form W 9 questions, please call Sandy Rarick at 303 866-3346, or Sandi Shultz at 303 866-2126. If you have 1099 or Backup Withholding questions, please call Joyce Miller at 303 866-3816.

## Valid Entries to VEND by Entity Type Chart

Use the information on this chart when adding vendor records to the VEND Table.

ENTITY	1099	Entity Type	TIN TYPE EIN=1 SSN=2	NAME	TIPS / ADDITIONAL INFORMATION
INDIVIDUAL	Y	I	2	LAST COMMA SPACE FIRST	MUST NOT BE A BUSINESS NAME
SOLE PROPRIETORSHIP & SINGLE MEMBER LLC	Y	S	1 or 2	NAME OF OWNER LAST COMMA SPACE FIRST	OWNER'S NAME ON FIRST LINE MUST NOT HAVE A BUSINESS NAME ON FIRST LINE.
PARTNERSHIP	Y	P	1	PARTNERSHIP	NAME CAN BE PARTNER' NAMES OR A TRADE NAME  NAME CONTROL MUST BE THE FIIRST 4 CHARACTERS OF THE LEGAL PARTNERSHIP NAME.  IF THE LEGAL NAME CONSISTS OF THE PARTNER'S NAMES, NAME CONTROL IS THE FIRST 4 LETTERS OF THE LAST NAME OF THE FIRST PARTNER LISTED.
ESTATE	Y	E	1	ESTATE NAME	ALWAYS ENTER LAST NAME OF DECEASED EXAMPLE: DOE ESTATE, JOE
TRUST	Y	T	1	TRUST NAME	
CORPORATION THAT PROVIDES MEDICAL OR LEGAL SERVICES	Y	C	1	CORP NAME,	CAN BE A CORP NAME THAT CONSISTS OF THE PERSON'S NAME FOLLOWED BY PC (OR PA), OR A TRADE NAME. FOR EXAMPLE:  ENTER AS: JOHN DOE PC (DO NOT ENTER THE LAST NAME FIRST)  OR ABC CLINIC PC  EXAMPLE: JOHN DOE PC
OTHER – GROUPS CLUBS JOINT VENTURES	Y	O	1	GROUP NAME	SHOULD NEVER BE THE NAME OF AN INDIVIDUAL ON LINE 1
LIMITED LIABILITY COMPANY	Y	L	1	LLC NAME	SHOULD NEVER BE THE NAME OF AN INDIVIDUAL ON LINE 1
CORPORATIONS THAT <u>DO NOT</u> PROVIDE MEDICAL OR LEGAL SERVICES	N	C	1	CORPORATE NAME	SHOULD NEVER BE THE NAME OF AN INDIVIDUAL ON LINE 1
GOVERNMENT	N	G	1	GOVERNMENT OR GOVERNMENT OPERATED ENTITIES NAME	ALL LEVELS OF GOVERNMENT - INCLUDES DISTRICTS, AUTHORITIES, SOME HOSPITALS ETC.